



ENERGY ASSURANCE DAILY

Wednesday Evening, February 17, 2010

Electricity

Small Plane Crash Causes Widespread Power Outage in Palo Alto, California February 17

Amid thick fog, a Cessna 310 struck power transmission lines connected to an 80-100 foot tall tower and broke apart about 1 mile north of Palo Alto airport in a residential neighborhood early February 17. A PG&E spokesman said the plane crash, which sheared off the top half of the tower, appears to have affected three of the transmission lines that serve the city of Palo Alto's municipal utility, Palo Alto Utilities. All of Palo Alto's 28,000 customers are without power, including schools and Stanford Hospital. The Hospital is operating on backup power. Power is also reported to be out in surrounding areas, including parts of Menlo Park, Stanford, and Mountain View. Palo Alto Utilities and PG&E are working to restore power but may not have it back until about 5:30 p.m., Pacific time, officials are reporting.

<http://www.cityofpaloalto.org/info/news/details.asp?NewsID=1502&TargetID=60>

http://online.wsj.com/article/SB10001424052748703444804575071464183042100.html?mod=WSJ_latestheadlines

http://www.almanacnews.com/news/show_story.php?id=6046

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2010/02/17/BA391C32O5.DTL>

Southern's 870 MW Hatch Nuke Unit 2 in Georgia Reduced to 57 Percent by February 17

The Nuclear Regulatory Commission reported that on the morning of February 16 the unit was operating at full power. The unit was reduced due to indications of elevated temperatures in the main generator, according to a company spokeswoman.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Bloomberg News, 15:43 GMT February 17, 2010

STP's 1,251 MW South Texas Nuke Unit 1 in Texas Reduced to 88 Percent by February 17

The Nuclear Regulatory Commission reported that on the morning of February 16 the unit was operating at full power. The unit was slowed to repair an issue with a feedwater heater, according to a company spokesman.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Bloomberg News, 14:17 GMT February 17, 2010

OPG's 881 MW Nuke Unit 1 in Ontario Shut February 13

The unit shut February 13 for a short-term outage for work related to a generator, a spokesman said on February 17. He did not say when the unit would return to service.

Reuters, 16:21 February 16, 2010

TXU to Restart 750 MW Martin Lake Coal-fired Unit 3 February 16

The unit was to return to service early February 16, according to a filing with Texas regulators. The unit was shut February 15 for electrical repairs on the exciter field breaker.

Reuters, 07:55 February 16, 2010

CDWR's 933 MW Hyatt-Therm Hydro-fired Unit in California Curtailed 534 MW by February 16

Reuters, 18:41 February 16, 2010

<http://www.caiso.com/unitstatus/data/unitstatus201002151515.html>

Petroleum

Update: Hydrocracker Restarts, Reaches Planned Rates at Valero's 315,000 b/d Corpus Christi, Texas Refinery

A company spokesman said February 16 that Valero had restarted the hydrocracker at the East Plant. On February 17, the company reported that the unit had reached planned rates.

<http://news.morningstar.com/newsnet/ViewNews.aspx?article=/DJ/201002170910DOWJONESDJONLINE000451univ.xml>

Reuters, 09:50 February 16, 2010

Update: Crude Unit Restarts at Silver Eagle's 10,250 b/d Woods Cross, Utah Refinery February 17

The unit was restarted on February 17 according to a company e-mail. The company was hoping to restart the unit on February 16 but it wanted to wait until the Utah Labor Commission's Division of Boilers & Elevators posted operating permits online. The refinery was shut down by an explosion on November 4 but the crude unit that will restart soon was not damaged during that incident. The crude unit restart is the first tentative step to returning the refinery to full operations.

http://www.sltrib.com/business/cj_14412610

Bloomberg News, 18:31 GMT February 17, 2010

Small Fire Hits Process Unit at ConocoPhillips' 239,400 b/d Westlake, Louisiana Refinery February 15

The fire, which lasted about 15 minutes, occurred in an unnamed process unit, according to a report police received from the plant.

Bloomberg News, 20:24 GMT February 16, 2010

Suncor Returning 135,000 b/d Edmonton, Alberta Refinery to Normal Operations after Hydrogen and Steam Outage

Suncor Energy Inc. reported a steam and hydrogen outage at its Edmonton, Alberta, refinery late February 16. The company reported increased flaring as the plant returns to normal operations February 17.

Bloomberg News, 16:24 GMT February 17, 2010

Reuters, 06:32 February 17, 2010

Natural Gas

Update: CIG Revises Force Majeure End Date at 115 MMcf/d Lost Cabin Compressor Station in Wyoming

The force majeure began December 19 due to a coolant leak in the crankcase which caused extensive damage requiring unit overhaul. The original filing indicated that the force majeure would end February 19 but has been revised with a new end date of February 26. During the force majeure capacity through the compressor station is reduced from 115 to 90 MMcf/d.

<http://ebb.cigco.com/ebbCIG/Notices/NoticeView.asp?sPipelineCode=CIG&sSubCategory=Critical&sNoticeId=7986>

NARUC Report Provides Updated Estimates of Domestic Oil & Gas Resources

A public/private Study Group commissioned by the National Association of Regulatory Utility Commissioners (NARUC) reported February 15 the results of a two year study to determine the financial and environmental impacts of maintaining the moratoria restrictions on the development of offshore oil and gas resources in the United States. The “Moratoria Study” used a Federal government modeling program relied upon by Congress and the Administration for analyzing the energy outlook under existing laws and projecting the impacts of new energy policy proposals. The “NARUC-National Energy Modeling System (NARUC-NEMS)” version of the model was employed by the Study Group’s contractor, Science Applications International Corporation (SAIC). In updating the resource base, the report estimated that:

- The domestic natural gas resource base on federal lands should be increased over previous estimates by 132 Tcf onshore and by 154 Tcf offshore –a total estimated increase in domestic natural gas from 1748 Tcf to 2034 Tcf. To give that number perspective, in 2009 the United States consumed 22.8 Tcf and, of that amount, imported 2.7 Tcf.
- The domestic crude oil resource base is estimated to increase, offshore, by 37 billion bbls (excluding parts of Alaska); onshore, the crude oil resource base is estimated to increase by 6 billion bbls for the Arctic National Wildlife Refuge (ANWR), with no estimated increase in the Lower-48 resource base—a total estimated increase in domestic oil from 186 billion bbls to 229 billion bbls. In 2009 the United States consumed 5.2 billion bbls oil, produced 1.9 billion bbls at home and imported 3.3 billion bbls.

<http://www.naruc.org/News/default.cfm?pr=183>

Energy Prices

| U.S. Oil and Gas Prices | | | |
|----------------------------------------------------------------------|-------|----------|----------|
| February 17, 2010 | | | |
| | Today | Week Ago | Year Ago |
| CRUDE OIL West Texas Intermediate U.S. \$/Barrel | 77.21 | 77.44 | 34.60 |
| NATURAL GAS Henry Hub \$/Million Btu | 5.47 | 5.77 | 4.60 |

Source: Reuters

Energy Notes

BP Launches Drilling Tenders to Increase Production from Iraq’s Rumaila Oil Field by 110,000 b/d in 2010

http://www.rigzone.com/news/article.asp?a_id=87629

Five Injured at Well Explosion at Occidental Petroleum’s Oil Field in Kern County, California

<http://www.telegram.com/article/20100216/APN/302169786>

Faulty Gauge Causes Benzene Tank Overflow at Citgo’s Corpus Christi, Texas East Plant Refinery February 16

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=135901>

Eagle Rock Energy Partners to Move Idle Cryogenic Natural Gas Processing Plant to Accommodate 80 MMcf/d of Volume Growth at Granite Wash Play in Texas Panhandle

<http://ir.eaglerockenergy.com/phoenix.zhtml?c=200871&p=RssLanding&cat=news&id=1391001>

Pipeline Leak Caused by Internal Corrosion Shuts Southern Union's 20-inch Pipeline in Pecos County, Texas February 16

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=135900>

Ocean Power Technologies Starts Construction on First U.S. Commercial Wave-Power Project in Oregon February 17

http://www.usatoday.com/money/industries/energy/environment/2010-02-16-wave-energy_N.htm

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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